ABSTRACT OF THE DISCLOSURE

A computerized system and method of managing a financial capacity of a business having electronic records of financial accounts. The method includes the steps of providing a software system for monitoring a cash position of the business, which software system includes one or more predetermined limits defined by the financial capacity of the business. The software system is periodically connected to the electronic records to receive updated transaction information to calculate a current cash position and then calculates a cash position of the business in respect of a proposed transaction by the business. Then it calculates a permitted cash position based on the updated transaction information and one or more financial limits defined by said financial capacity. Next, it compares the calculated cash position of the business after the proposed transaction to the permitted cash position defined by the financial capacity; and provides an indication of whether the proposed transaction will cause the business to fall outside of any of the limits defined by the financial capacity. A system for implementing the method is also disclosed.